

# Election Notice

## Notice of Special Meeting of Large Firms and Proxy

May 15, 2009

### Suggested Routing

- Executive Representatives
- Senior Management

### Executive Summary

The Financial Industry Regulatory Authority, Inc. (FINRA) will conduct a special meeting of large firms on Wednesday, June 10, 2009, at 10 a.m. at FINRA's Washington, DC office at 1735 K Street, NW. The purpose of the meeting is to elect individuals to fill the two vacant Large Firm Governor seats on FINRA's Board of Governors.

It is important that all large firms be represented by proxy or in person at the special meeting. Large firms are urged to vote in the election using one of the methods described below. For a proxy to be considered valid, it must be signed by the executive representative of a large firm eligible to vote in the election.

Large firms that are members of FINRA as of the close of business on May 14, 2009 (the special meeting record date), will be eligible to vote in this election.

**Note:** This *Notice* was distributed in writing to all large firms. In addition, it was sent electronically to the executive representative of each FINRA member firm and it is posted on FINRA's Web site at [www.finra.org/notices/election/051509](http://www.finra.org/notices/election/051509).

Questions regarding this *Election Notice* may be directed to:

- Marcia E. Asquith, Senior Vice President and Corporate Secretary, at (202) 728-8949; or
- T. Grant Callery, Executive Vice President and General Counsel, at (202) 728-8285.

## Election of Large Firm Candidates to the Board of Governors

There are two Large Firm Governor vacancies to be filled at this meeting.<sup>1</sup> Pursuant to Article XXII, Sec. 3, in the event of any vacancy among the Large Firm Governors during the Transitional Period,<sup>2</sup> where a position is vacant for more than 12 months, nominations to fill the vacancy are made by the NYSE Group Committee<sup>3</sup> of FINRA's Board of Governors and voted upon by the FINRA member firms entitled to vote for that category of Governor.

Notice of the nominees selected by the NYSE Group Committee was provided to firms on March 27, 2009.<sup>4</sup> No other individual came forward within the 45-day petition period to have his or her name added as an additional candidate.<sup>5</sup> Therefore, the two candidates for the vacant seats are:

- Seth H. Waugh, CEO of Deutsche Bank Americas
- James D. Weddle, Managing Partner of Edward Jones

Attachment A includes the candidate profiles.

## Term of Office

The elected individuals will complete the terms vacated by Governors Thomas Russo and Robert McCann, and serve until the first annual meeting of member firms following the Transitional Period, or until his or her successor is duly elected or qualified, or until death, resignation, disqualification or removal.<sup>6</sup>

The Transitional Period will conclude on July 30, 2010.

Additionally, the By-Laws expressly provide that the term of office of a governor shall terminate immediately upon a determination by the Board, by a majority vote of the remaining governors, that the governor no longer satisfies the classification for which the governor was elected and the governor's continued service would violate the compositional requirements of the Board set forth in the FINRA By-Laws.

There are three Large Firm Governor seats on the Board. In addition to the two vacant seats being filled through this special election, the other Large Firm Governor is Richard F. Brueckner, Chairman and CEO of Pershing LLC.

## Voting Eligibility

Firms are eligible to vote for the industry nominees who are running for seats that are in the same size category as their own firm. Therefore, only large firms are eligible to vote in this election. A proxy containing the nominees for the Large Firm Governor vacancies was mailed with a copy of this *Notice* to all eligible large firms.

## Voting Methods

Large firms will be able to submit a proxy by any lawful means, including the use of the following methods:

- Telephone;
- U.S. mail; or
- Internet.

Alternatively, large firms may attend the special meeting and vote in person. The enclosed proxy contains detailed instructions on the proxy submission procedures. As mentioned above, it is important that all large firms be represented at the special meeting. Following receipt of this *Notice* and proxy, executive representatives of large firms may receive telephone reminders during the election period. This will ensure that sufficient proxies are received by FINRA to satisfy the special meeting quorum requirements of Section 215(c) of Title 8 of the General Corporation Law of the State of Delaware, as well as to ensure broad participation in the election by large firms that are eligible to vote.

## Revocation of Proxies

If you have given a revocable proxy pursuant to a proxy card distributed by FINRA or otherwise in the manner described herein, you may nonetheless revoke your proxy by attending the special meeting and voting in person. In addition, you may revoke any such proxy you give at any time before the special meeting by delivering to FINRA's Corporate Secretary a written statement revoking it or by duly delivering another proxy at a later time. Your attendance at the special meeting will not in and of itself constitute a revocation of your proxy.

## Endnotes

- 1 To be eligible to serve, Large Firm Governors must be registered with a Large Firm. A Large Firm is defined as a firm that employs more than 500 registered persons. See Article I (y) of the FINRA By-Laws.
- 2 Pursuant to Article I (zz) of the FINRA By-Laws, the Transitional Period means the period commencing on the date of the Closing and ending on the third anniversary of the date of the Closing; however, the initial member elected governors shall hold office, subject to certain qualifications, until the first annual meeting of members following the Transitional Period. See Article XXII, Section 3 of the FINRA By-Laws.
- 3 The NYSE Group Committee is comprised of the five Public Governors appointed by the NYSE Group, Inc. Board of Directors (NYSE Board), the Large Firm Governors nominated by the NYSE Board and the Floor Member Governor appointed by the NYSE Board.
- 4 See *Election Notice 03/27/09*.
- 5 Pursuant to Article VII, Section 10 of FINRA's By-Laws a person who has not been nominated may be included on the ballot for the election if he or she timely presents the requisite number of petitions in support of his or her nomination.
- 6 See Article XXII, Section 3 of the FINRA By-Laws.

## Attachment A: Profiles of FINRA Large Firm Governor Candidates

### Seth H. Waugh

Seth H. Waugh joined Deutsche Bank in April 2000 as Regional Head of Global Markets and Equities and Vice Chairman of the Americas Executive Committee. Mr. Waugh was appointed CEO of Corporate and Investment Banking in the Americas in 2001 and the following year was named CEO of Deutsche Bank Americas and Chairman of the Americas Executive Committee, a position he has held since May 2002. He was appointed Member of the Group Executive Committee effective April 1, 2009.

Mr. Waugh is Chairman of the Deutsche Bank Securities Inc. (DBSI) Board of Directors and serves as Chairman of the Board, CEO and President of several Deutsche Bank companies, including Deutsche Bank Trust Company and Deutsche Bank Trust Corporation Americas.

Before joining Deutsche Bank, Mr. Waugh was CEO of Quantitative Financial Strategies (QFS) in Greenwich, CT. Prior to his role at QFS, he spent 11 years at Merrill Lynch in a variety of capacities in the Fixed Income Division, most recently as Senior Vice President and Co-Head of Global Debt Markets. Earlier in his career, he managed the Corporate Bond and International Trading desks at Salomon Brothers.

Mr. Waugh's industry positions have included board seats with the Securities Industry and Financial Markets Association and The Clearing House. In addition, he is the Deutsche Bank Americas representative to the Financial Services Forum, an organization composed of 20 CEOs from the largest U.S. financial institutions. He is also a member of the Executive Committee of the Partnership for New York City.

Mr. Waugh is the Chairman of the Board of Directors for Deutsche Bank Americas Foundation, which administers the philanthropic activities of Deutsche Bank within the United States, Canada and Latin America. His philanthropic endeavors also include positions on the boards of the YMCA of Greater New York, the Multiple Sclerosis Society of Greater New York, the Partnership for New York City, St. Vincent's Services of Brooklyn, the Local Initiatives Support Corporation, the Lawrenceville School in Lawrenceville, New Jersey and he is a member of the Winthrop University Hospital Board of Regents in Syosset, New York.

A graduate of Amherst College, Mr. Waugh earned dual Bachelor of Arts degrees in Economics and English.

## James D. Weddle

James D. Weddle, managing partner of Edward Jones, was earning his MBA at Washington University when he was hired in 1976 as a part-time intern in the firm's Research department. After completing his MBA, Mr. Weddle left Research to become a financial advisor in Connersville, Indiana. He opened the firm's 200th branch.

In 1984, Mr. Weddle was named a principal in the firm and was invited back to the St. Louis headquarters where he assumed a series of responsibilities, initially in new Financial Advisor Training, then for one of the firm's largest areas, Mutual Fund Sales and Marketing. Mr. Weddle then led the implementation of a new sales management structure for the firm, taking responsibility for developing the firm's growth across the entire East Coast and for coordinating the efforts for all of the U.S. While he led the East Coast, the firm expanded from 250 offices to over 1,000.

Mr. Weddle assumed responsibility for managing all of the firm's branch offices in late 1997. His responsibilities included not only the facilities themselves, but also financial advisors' compensation and financial advisor leadership development.

Mr. Weddle has been a member of the firm's Management Committee since 1987 and in January 2006, he succeeded Douglas E. Hill as Edward Jones' fifth managing partner.

A native of Illinois and a graduate of DePauw University in Greencastle, Indiana, Mr. Weddle also graduated from the University of Pennsylvania Wharton School's Securities Industry Institute in 1988. He served as a trustee of the institute from 1989 until 1993, and served on the Continuing Education Committee of the Securities Industry Association from 1994 through 1996.

Mr. Weddle is on the Executive Committee for Webster University Board of Trustees; on the Executive Committee of The United Way of Greater St. Louis; a board member of the Securities Industry & Financial Markets Association (SIFMA); a board member of the St. Louis Regional Chamber & Growth Association (RCGA); a member of the Board of Commissioners for the St. Louis Science Center; a member of Washington University's Olin School of Business National Council; and a member of the University of Missouri–St. Louis Chancellor's Council.